

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 91-597-C - ORDER NO. 91-935 ✓
OCTOBER 30, 1991

IN RE: Request of West Carolina Rural) ORDER
Telephone Cooperative, Inc. for) DENYING
Waiver of R.103-621.3) WAIVER

This matter comes before the Public Service Commission of South Carolina (the Commission) by way of the request of West Carolina Rural Telephone Cooperative, Inc. (West Carolina) to waive the provisions of R.103-621.2 regarding interest on deposits. By letter dated September 26, 1991, David J. Herron, the General Manager at West Carolina, wrote the Commission and stated that the Company has been returning deposits to customers within six (6) months of receipt and the Company has not been paying interest to said customers. Herron goes on to state that the Company is currently in the process of changing their computer system and that the new system would accommodate the need to calculate interest on customer deposits. The Company states that it is expected to have the new system on line before the end of the year. The Company

goes on to request that, in order to avoid "costly changes to existing software" the Company should be allowed to continue denying customers interest on their deposits until the new system is in operation. Regulation 103-621.3(A) states that simple interest on deposits at the rate as prescribed by the Commission shall be paid by the utility to each customer required to make such deposit for the time it is held by the utility.

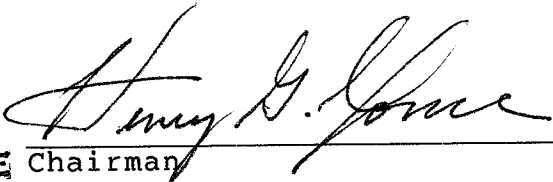
The Commission has reflected on the Company's request, but has decided that the waiver of the regulation must be denied. While the Commission is sympathetic to the plight of the Company in installing changes to its computer, the Commission believes that the customers must be paid interest according to the regulations approved by the General Assembly of South Carolina. Therefore, the Commission is of the opinion that the Company should pay interest on deposits of the customers at the rate of 12.00% per annum on all deposits returned after May 1, 1989. This is consistent with the terms of the regulation.

THEREFORE, IT IS ORDERED:

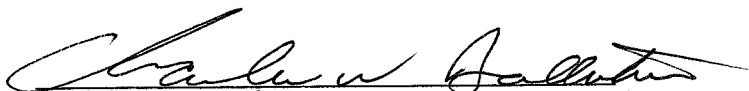
1. That West Carolina Rural Telephone Cooperative, Inc. pay interest on customer deposits at the rate of 12.00% per annum on all deposits returned after May 1, 1989.

2. That this Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


VICE Chairman

ATTEST:


Executive Director

(SEAL)